

FISCAL NOTE

SB 1288 - HB 1358

February 17, 2005

SUMMARY OF BILL: Exempts persons who hold a valid Tennessee handgun permit from background check requirement when such persons are purchasing a firearm.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$1,012,350

Other Fiscal Impact – To the extent that the State does not receive an exception to the federal *Brady Handgun Control Act* and is found in noncompliance, there is estimated to be a decrease in state revenues of \$2,024,700.

Assumptions:

- In FY03-04 there were approximately 202,470 instant background checks conducted by the TBI on persons wishing to buy a firearm in the State of Tennessee.
- Approximately 50% of the backgrounds were conducted on persons holding a handgun permit.
- Approximately 101,235 persons would not be required to receive a background check and would not pay the \$10 fee.
- The State will be granted an exception to the *Brady Handgun Control Act* similar to ones other states have received.
- In the event the exception to the *Brady Handgun Control Act* is not granted and the State is found to be in noncompliance the FBI would conduct the background checks and the State would lose all revenues currently collected from fees.
- The background check is a conducted through a computer based program. Therefore there would not be any decrease in state expenditures due to a reduction in labor costs for processing the checks.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director